

CITY OF BISMARCK EMPLOYEES PENSION FUND
INVESTMENT PERFORMANCE REPORT AS OF MARCH 31, 2007

	March-07					December-06				September-06				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Actual	Quarter Policy	Month Net ROR	Market Value	Allocation	Actual	Quarter Net ROR	Market Value	Allocation	Actual	Quarter Net ROR	Fiscal YTD Net ROR	FY06 Net ROR	Ended 6/30/2006 Net	Ended 6/30/2006 Net
LARGE CAP DOMESTIC EQUITY																	
<i>Structured Growth</i>																	
LA Capital	1,507,587	3.0%	3.0%	3.62%	0.75%	1,464,474	3.1%	3.0%	7.70%	1,357,417	3.0%	3.0%	1.81%	13.61%	11.88%	N/A	N/A
Total Structured Growth	1,507,587	3.0%	3.0%	3.62%	0.75%	1,464,474	3.1%	3.0%	7.70%	1,357,417	3.0%	3.0%	1.81%	13.61%	11.88%	12.99%	0.19%
Russell 1000 Growth				1.19%	0.54%				5.93%				3.94%	11.40%	6.12%	8.34%	-0.77%
<i>Structured Value</i>																	
LSV	1,512,636	3.1%	3.0%	2.14%	1.92%	1,492,239	3.1%	3.0%	8.13%	1,392,736	3.1%	3.0%	4.48%	15.39%	15.93%	21.06%	12.29%
Russell 1000 Value				1.24%	1.55%				8.00%				6.22%	16.14%	12.10%	15.70%	6.89%
<i>Enhanced Russell 1000 Index</i>																	
LA Capital	1,388,832	2.8%	3.0%	1.04%	0.77%	1,403,358	2.9%	3.0%	7.80%	1,299,617	2.9%	3.0%	3.51%	12.74%	12.49%	12.73%	3.75%
Russell 1000				1.21%	1.04%				6.95%				5.06%	13.72%	9.08%	12.05%	3.12%
<i>Enhanced S&P 500 Index</i>																	
Northern Trust	1,380,597	2.8%	3.0%	0.34%	0.93%	1,413,445	3.0%	3.0%	6.42%	1,326,246	2.9%	3.0%	6.56%	13.79%	9.33%	11.32%	2.81%
Westridge	1,631,376	3.3%	3.0%	0.74%	1.15%	1,585,877	3.3%	3.0%	6.86%	1,482,915	3.3%	3.0%	5.68%	13.78%	8.80%	11.46%	2.80%
Wells Capital	997,193	2.0%	2.0%	0.57%	3.11%	970,427	2.0%	2.0%	13.95%	847,923	1.9%	2.0%	1.21%	15.99%	N/A	N/A	N/A
Franklin	967,161	2.0%	2.0%	0.01%	1.71%	944,630	2.0%	2.0%	5.52%	891,568	2.0%	2.0%	N/A	N/A	N/A	N/A	N/A
Total Enhanced S&P 500 Index	4,976,327	8.1%	8.0%	0.45%	1.59%	4,914,379	8.3%	8.0%	7.79%	4,548,652	8.1%	8.0%	5.15%	13.85%	8.58%	11.40%	2.76%
S&P 500				0.64%	1.12%				6.70%				5.67%	13.46%	8.63%	11.22%	2.49%
<i>S&P 500 Index</i>																	
State Street	663,043	1.3%	1.4%	1.63%	1.54%	639,533	1.3%	1.4%	8.05%	591,044	1.3%	1.4%	5.79%	16.16%	9.62%	11.55%	2.70%
S&P 500				0.64%	1.12%				6.70%				5.67%	13.46%	8.63%	11.22%	2.49%
TOTAL LARGE CAP DOMESTIC EQUITY	10,048,426	20.3%	20.0%	1.33%	1.39%	9,913,982	20.8%	20.0%	7.85%	9,189,466	20.3%	20.0%	4.32%	14.00%	10.93%	13.21%	3.86%
S&P 500				0.64%	1.12%				6.70%				5.67%	13.46%	8.63%	11.22%	2.49%
SMALL CAP DOMESTIC EQUITY																	
<i>Manager-of-Managers</i>																	
SEI	4,387,496	8.9%	8.6%	1.88%	0.57%	4,289,773	9.0%	8.6%	8.85%	3,934,838	8.7%	8.6%	-0.01%	10.88%	13.56%	18.31%	8.00%
Russell 2000 + 200bp				2.45%	1.24%				9.43%				0.94%	13.18%	16.86%	21.06%	10.71%
Callan	1,764,044	3.6%	3.4%	4.66%	1.92%	1,686,146	3.5%	3.4%	8.45%	1,527,501	3.4%	3.4%	-0.91%	12.47%	N/A	N/A	N/A
Russell 2000				1.95%	1.07%				8.90%				0.44%	11.51%			
TOTAL SMALL CAP DOMESTIC EQUITY	6,151,540	12.4%	12.0%	2.66%	0.95%	5,975,920	12.5%	12.0%	8.74%	5,462,338	12.1%	12.0%	-0.27%	11.34%	13.40%	18.25%	7.97%
Russell 2000				1.95%	1.07%				8.90%				0.44%	11.51%	14.58%	18.70%	8.50%
INTERNATIONAL EQUITY																	
<i>Large Cap - Core</i>																	
State Street	574,807	1.2%	1.1%	4.07%	2.46%	552,582	1.2%	1.1%	11.53%	495,659	1.1%	1.1%	3.40%	20.01%	27.85%	20.61%	6.87%
MSCI EAFE (1)				4.08%	2.55%				10.35%				3.93%	19.36%	26.56%	20.76%	5.94%
<i>Large Cap - Active</i>																	
Capital Guardian	1,672,418	3.4%	3.3%	3.44%	1.86%	1,618,517	3.4%	3.3%	8.42%	1,491,429	3.3%	3.3%	4.95%	17.71%	28.01%	21.32%	6.58%
LSV	1,701,456	3.4%	3.3%	4.52%	2.42%	1,627,920	3.4%	3.3%	10.85%	1,468,655	3.2%	3.3%	5.93%	22.74%	27.77%	N/A	N/A
Bank of Ireland	541,444	1.1%	1.1%	1.38%	3.23%	534,110	1.1%	1.1%	9.82%	486,450	1.1%	1.1%	3.02%	14.70%	22.00%	19.16%	N/A
Total Large Cap - Active	3,915,319	7.9%	7.7%	3.62%	2.29%	3,780,548	7.9%	7.7%	9.65%	3,446,534	7.6%	7.7%	5.09%	19.40%	27.11%	21.84%	7.14%
MSCI EAFE - 50% Hedged				4.03%	2.41%				9.06%				4.87%	18.98%	26.72%	22.56%	6.89%
<i>Small Cap - Active</i>																	
Lazard	563,555	1.1%	1.1%	3.06%	2.73%	546,890	1.1%	1.1%	15.51%	473,447	1.0%	1.1%	1.38%	20.69%	25.04%	29.34%	N/A
Wellington	546,107	1.1%	1.1%	5.44%	2.53%	518,017	1.1%	1.1%	9.14%	473,928	1.0%	1.1%	3.21%	18.78%	23.35%	25.26%	N/A
Total Small Cap - Active	1,109,663	2.2%	2.2%	4.22%	2.63%	1,064,907	2.2%	2.2%	12.33%	947,375	2.1%	2.2%	2.29%	19.74%	24.18%	27.28%	N/A
Citigroup Broad Market Index < \$2BN				7.05%	3.20%				11.41%				1.55%	21.11%	29.21%	32.38%	N/A
TOTAL INTERNATIONAL EQUITY	5,599,789	11.3%	11.0%	3.80%	2.38%	5,398,036	11.3%	11.0%	10.36%	4,889,568	10.8%	11.0%	4.36%	19.55%	26.61%	22.77%	8.74%
MSCI EAFE - 50% Hedged				4.03%	2.41%				9.06%				4.87%	18.98%	26.72%	22.56%	6.89%
EMERGING MARKETS EQUITY																	
<i>Core</i>																	
JP Morgan	193,870	0.4%	0.3%	2.44%	3.42%	189,648	0.4%	0.3%	17.51%	161,122	0.4%	0.3%	7.76%	29.72%	N/A	N/A	N/A
PanAgora	163,639	0.3%	0.0%	2.32%	4.49%	159,741	0.3%	0.0%	17.38%	135,934	0.3%	0.0%	4.96%	26.07%	N/A	N/A	N/A
WestLB	164,456	0.3%	0.0%	1.47%	2.90%	161,891	0.3%	0.0%	17.37%	137,786	0.3%	0.0%	2.94%	22.60%	N/A	N/A	N/A
UBS	293,693	0.6%	0.6%	2.61%	3.85%	285,648	0.6%	0.6%	16.12%	245,500	0.5%	0.6%	4.67%	24.72%	N/A	N/A	N/A
Total Core	815,658	1.6%	1.3%	2.24%	3.60%	796,928	1.7%	1.3%	16.75%	680,342	1.5%	1.3%	5.09%	25.45%	35.59%	32.44%	18.61%
MSCI Emerging Markets				2.35%	4.02%				17.64%				5.01%	26.42%	35.91%	22.39%	12.89%
<i>Small Cap</i>																	
DFA	197,595	0.4%	0.4%	7.10%	4.35%	184,073	0.4%	0.4%	20.71%	152,155	0.3%	0.4%	8.53%	40.32%	N/A	N/A	N/A
MSCI Emerging Markets				2.35%	4.02%				17.64%				5.01%	26.42%			
TOTAL EMERGING MARKETS EQUITY	1,013,254	2.0%	2.0%	3.15%	3.74%	981,001	2.1%	2.0%	17.47%	832,497	1.8%	2.0%	5.71%	28.09%	34.40%	32.05%	18.40%
MSCI Emerging Markets				2.35%	4.02%				17.64%				5.01%	26.42%	35.91%	34.76%	21.54%
DOMESTIC FIXED INCOME																	
<i>Core Bond</i>																	
Western Asset	1,678,914	3.4%	3.2%	1.60%	-0.07%	1,665,702	3.5%	3.5%	1.78%	1,632,663	3.6%	3.5%	4.29%	7.85%	-1.15%	2.65%	5.96%
Lehman Aggregate				1.50%	0.00%				1.24%				3.81%	6.67%	-0.81%	2.05%	4.97%
<i>Index</i>																	
Bank of ND	3,027,093	6.1%	7.3%	1.38%	-0.18%	3,009,144	6.3%	7.3%	0.88%	3,025,108	6.7%	7.3%	3.77%	6.12%	-1.37%	1.53%	5.24%
Total Index	3,027,093	6.1%	7.3%	1.38%	-0.18%	3,009,144	6.3%	7.3%	0.88%	3,025,108	6.7%	7.3%	3.77%	6.12%	-0.69%	2.10%	5.27%
Lehman Gov/Credit				1.47%	-0.17%				1.04%				3.91%	6.53%	-1.52%	1.60%	5.13%
<i>Convertibles</i>																	
TCW (2)	-	0.0%	0.0%	N/A	N/A	-	0.0%	0.0%	N/A	1,418,857	3.1%	3.5%	2.85%	N/A	4.54%	6.78%	1.15%
Calamos	1,700,104	3.4%	3.2%	0.76%	0.50%	1,529,153	3.2%	3.5%	N/A		0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Total Convertibles	1,700,104	3.4%	3.2%	0.76%	0.50%	1,529,153	3.2%	3.5%	4.81%	1,418,857	3.1%	3.5%	2.85%	8.62%	4.54%	6.78%	1.15%
Merrill Lynch All Convertibles (3)				2.44%	0.24%				5.01%				2.79%	10.57%	9.37%	8.01%	4.94%

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	March-07					December-06				September-06				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Quarter	Month	Net ROR	Market Value	Allocation	Quarter	Net ROR	Market Value	Allocation	Quarter	Net ROR	Fiscal YTD	FY06	Ended	Ended
		Actual	Policy	Net ROR			Actual	Policy			Actual	Policy		Net ROR	Net ROR	6/30/2006	6/30/2006
BBB Average Quality																	
Wells Capital	1,680,750	3.4%	3.2%	1.71%	-0.60%	1,665,023	3.5%	3.5%	2.07%	1,628,090	3.6%	3.5%	4.58%	8.57%	-2.70%	3.36%	5.51%
Lehman BBB				1.79%	-0.62%				1.49%				4.80%	8.26%	-2.37%	2.39%	6.10%
Private Debt																	
Prudential	1,676,712	3.4%	3.2%	1.81%	0.21%	1,659,956	3.5%	3.5%	1.47%	1,632,976	3.6%	3.5%	3.84%	7.27%	-0.13%	N/A	N/A
Lehman Aggregate				1.50%	0.00%				1.24%				3.81%	6.67%	-0.81%	N/A	N/A
Timberland																	
TIR - Teredo (4)	1,208,287	2.4%	2.4%	-0.25%	-0.06%	1,218,389	2.6%	2.6%	2.22%	1,161,802	2.6%	2.6%	-0.19%	1.78%	-1.44%	7.62%	N/A
TIR - Springbank	3,178,458	6.4%	6.4%	28.54%	-0.03%	2,489,825	5.2%	5.2%	-0.20%	2,433,776	5.4%	5.4%	-0.06%	28.22%	13.53%	N/A	N/A
Total Timberland	4,386,745	8.9%	8.9%	19.08%	-0.04%	3,708,214	7.8%	7.8%	0.59%	3,595,578	7.9%	7.9%	-0.10%	19.66%	9.43%	20.37%	N/A
NCREIF Timberland Index				6.46%	2.11%				6.46%				0.85%	14.30%	19.69%	13.94%	N/A
TOTAL DOMESTIC FIXED INCOME	14,150,317	28.6%	29.0%	6.32%	-0.05%	13,237,192	27.8%	29.0%	1.57%	12,933,273	28.5%	29.0%	2.67%	10.87%	3.12%	8.91%	8.14%
Lehman Aggregate				1.50%	0.00%				1.24%				3.81%	6.67%	-0.81%	2.05%	4.97%
HIGH YIELD BONDS																	
Core																	
Loomis Sayles	1,458,316	2.9%	3.0%	2.75%	0.05%	1,419,245	3.0%	3.0%	4.69%	1,355,582	3.0%	3.0%	4.85%	12.78%	4.74%	N/A	N/A
Sutter/Wells Capital	1,390,169	2.8%	3.0%	2.92%	-0.08%	1,351,991	2.8%	3.0%	1.39%	1,334,380	2.9%	3.0%	2.84%	7.31%	4.70%	N/A	N/A
Total Core	2,848,485	5.8%	5.9%	2.83%	-0.01%	2,771,236	5.8%	5.9%	3.05%	2,689,962	5.9%	6.0%	3.84%	10.04%	4.72%	5.70%	3.38%
LB High Yield 2% Issuer Constrained Index				2.80%	0.17%				4.11%				3.76%	11.05%	4.38%	N/A	N/A
Mezzanine Debt																	
Goldman Sachs	34,629	0.1%	0.1%	2.63%	2.63%	33,743	0.1%	0.1%	1.95%	19,270	0.0%	0.0%	-0.04%	4.59%	N/A	N/A	N/A
TOTAL HIGH YIELD BONDS	2,883,114	5.8%	6.0%	2.85%	0.02%	2,804,979	5.9%	6.0%	3.05%	2,709,233	6.0%	6.0%	3.82%	10.03%	4.72%	8.34%	7.47%
LB High Yield 2% Issuer Constrained Index				2.80%	0.17%				4.11%				3.76%	11.05%	4.38%	8.48%	8.60%
INTERNATIONAL FIXED INCOME																	
International Sovereign																	
UBS Global (Brinson)	2,140,687	4.3%	4.8%	0.91%	0.28%	2,121,343	4.5%	4.8%	1.88%	2,067,120	4.6%	4.8%	-0.15%	2.65%	0.13%	5.24%	9.99%
Citigroup Non-US Gov't Bond Index (5)				1.09%	0.30%				2.09%				0.89%	4.12%	-0.11%	5.01%	9.58%
International Core																	
Brandywine	2,183,506	4.4%	4.8%	0.90%	0.42%	2,163,655	4.5%	4.8%	2.84%	2,118,666	4.7%	4.8%	1.93%	5.78%	3.89%	8.39%	N/A
Lehman Global Aggregate (ex-US)				1.16%	0.38%				2.57%				1.13%	4.93%	3.83%	5.69%	N/A
TOTAL INTERNATIONAL FIXED INCOME	4,324,193	8.7%	9.5%	0.91%	0.35%	4,284,997	9.0%	9.5%	2.37%	4,185,787	9.2%	9.5%	0.89%	4.22%	2.01%	6.82%	10.91%
Citigroup Non-US Gov't Bond Index (5)				1.09%	0.30%				2.09%				0.89%	4.12%	0.00%	5.05%	9.60%
REAL ESTATE																	
INVESCO	2,169,352			7.51%	4.06%	2,036,356			0.14%	2,083,953			1.55%	9.33%	23.84%	N/A	N/A
J.P. Morgan Strategic & Special Funds	2,193,561			4.09%	1.53%	2,136,572			4.17%	2,106,681			4.36%	13.17%	21.05%	17.14%	12.52%
J.P. Morgan Alternative Property Fund	502,547			12.76%	0.00%	499,496			0.00%	461,516			-2.82%	9.58%	N/A	N/A	N/A
TOTAL REAL ESTATE	4,865,460	9.8%	9.5%	6.43%	2.48%	4,672,425	9.8%	9.5%	1.94%	4,652,149	10.3%	9.5%	2.40%	11.10%	22.09%	17.14%	12.52%
NCREIF TOTAL INDEX				4.51%	1.48%				4.51%				3.51%	13.06%	18.22%	15.63%	12.19%
ALTERNATIVE INVESTMENTS																	
Coral Partners V	12,339			-1.92%	0.00%	13,699			1.68%	21,372			-0.31%	-0.58%	8.74%	-15.32%	-24.06%
Coral Partners V - Supplemental	1,518			-0.85%	0.00%	1,667			8.05%	1,941			-0.70%	6.38%	10.53%	10.33%	N/A
Coral Partners VI	29,978			-9.23%	0.00%	28,426			-2.87%	32,830			-0.08%	-11.91%	-6.22%	-10.14%	N/A
Brinson 1998 Partnership Fund	3,361			24.44%	24.44%	4,093			2.07%	4,498			4.03%	32.13%	16.52%	15.11%	1.97%
Brinson 1999 Partnership Fund	7,652			0.00%	0.00%	7,423			4.42%	11,164			8.99%	13.81%	14.27%	12.72%	-1.26%
Brinson 2000 Partnership Fund	22,162			0.82%	12.93%	23,936			2.97%	26,079			4.86%	8.87%	28.22%	17.90%	3.70%
Brinson 2001 Partnership Fund	16,463			10.09%	10.09%	16,285			1.63%	18,570			8.12%	17.09%	19.85%	9.95%	3.22%
Brinson 2002 Partnership Fund	9,991			18.61%	18.61%	9,172			-6.73%	11,032			9.58%	21.22%	32.42%	13.22%	N/A
Brinson 2003 Partnership Fund	2,911			16.56%	13.06%	2,720			5.60%	2,889			3.05%	26.85%	25.48%	6.77%	N/A
Brinson 1999 Non-US Partnership Fund	3,709			18.61%	18.61%	3,405			25.02%	4,192			16.69%	73.04%	40.48%	30.98%	18.60%
Brinson 2000 Non-US Partnership Fund	6,843			12.99%	24.40%	6,594			0.83%	7,337			26.11%	43.67%	35.03%	21.65%	13.01%
Brinson 2001 Non-US Partnership Fund	7,238			18.35%	47.04%	6,859			-19.07%	9,230			7.27%	2.75%	27.25%	17.46%	8.96%
Brinson 2002 Non-US Partnership Fund	12,822			17.35%	17.35%	11,898			31.26%	12,399			17.05%	80.30%	38.11%	22.66%	N/A
Brinson 2003 Non-US Partnership Fund	10,874			24.88%	24.88%	9,482			12.56%	8,024			21.45%	70.71%	31.08%	8.89%	N/A
Brinson 2004 Non-US Partnership Fund	3,684			14.12%	14.12%	3,515			7.00%	2,976			-0.77%	21.17%	24.56%	N/A	N/A
Brinson BVCF IV	29,052			-19.22%	0.00%	39,162			10.81%	39,647			9.17%	-2.28%	31.35%	19.07%	0.41%
Adams Street Direct Co-investment Fund	11,276			0.47%	0.00%	4,066			-5.02%	4,803			N/A	N/A	N/A	N/A	N/A
Matlin Patterson Global Opportunities	26,862			0.00%	0.00%	28,974			12.96%	28,776			-5.52%	6.72%	-11.68%	26.48%	N/A
Matlin Patterson Global Opportunities II	61,427			29.76%	29.76%	66,706			0.27%	52,926			0.71%	31.03%	-0.85%	N/A	N/A
InvestAmerica	11,178			0.00%	0.00%	12,172			0.00%	13,654			30.21%	30.21%	0.00%	-9.20%	N/A
Hearthstone MSII	939			-48.15%	-48.15%	950			0.00%	330			0.00%	-48.15%	-100.00%	-100.00%	-100.00%
Hearthstone MSIII	5,273			72.11%	0.00%	5,030			-1.32%	772			38.24%	134.78%	59.61%	N/A	N/A
Corsair III	2,416			N/A	0.00%	-			N/A	-			N/A	N/A	N/A	N/A	N/A
Quantum Resources	5,653			0.00%	0.00%	6,156			N/A	-			N/A	N/A	N/A	N/A	N/A
Quantum Energy Partners	1,480			-0.39%	-	-			N/A	-			N/A	N/A	N/A	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (6)	307,102	0.6%	1.0%	6.29%	10.20%	312,192	0.7%	1.0%	3.68%	315,440	0.7%	1.0%	6.16%	17.00%	11.08%	10.40%	-2.89%
CASH EQUIVALENTS																	
Northern Trust STIF/STEP	112,770	0.2%	0.0%	1.32%	0.41%	50,776	0.1%	0.0%	1.30%	142,336	0.3%	0.0%	1.34%	4.01%	4.31%	2.64%	2.41%
90 Day T-Bill				1.25%	0.45%				1.26%				1.33%	3.88%	4.00%	2.37%	2.25%
TOTAL FUND	49,455,964	100.0%	100.0%	3.79%	1.07%	47,631,502	100.0%	100.0%	5.21%	45,312,087	100.0%	100.0%	2.80%	12.26%	9.13%	12.57%	7.23%
POLICY TARGET BENCHMARK				1.64%	0.84%				4.57%				3.30%	9.79%	6.25%	8.80%	5.55%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.

(2) TCW was terminated on September 22, 2006. The portfolio was transferred to Calamos on October 5, 2006.

(3) Prior to January 1, 2005, the benchmark was the First Boston Convertible Index.

(4) Prior to June 1, 2006, the Toredos properties were under the management of RMK.

(5) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.

(6) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.